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UNCLAS SECTION 01 OF 02 LILONGWE 000131

SIPDIS

STATE FOR AF/S ADRIENNE GALANEK
STATE FOR EB/IFD/OMA FRANCES CHISHOLM
STATE FOR EB/IFD/ODF LINDA SPECHT
TREASURY FOR INTERNATIONAL AFFAIRS/AFRICA/LUKAS KOHLER
JOHANNESBURG FOR FCS

E.O. 12958: N/A

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SUBJECT: MALAWI'S ANTI-CORRUPTION FIGHT RATCHETS UP

REF: A. 2004 LILONGWE 1018

[B](#). LILONGWE 117

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SUMMARY

[1](#). (U) Malawi's president used Malawi's Anti-Corruption Day on February 5 as a platform to reaffirm his stance against corruption and to use the issue as a political lever against the ruling party. As he raises the profile of this issue still further, the main GOM agency responsible for prosecuting and preventing corruption is hampered by lack of funds. This presents a potential new liability for Mutharika, as failure to produce tangible results, mainly in the form of convictions, would cost him significant political credibility. End summary.

POUNDING THE PODIUM AGAIN, THIS TIME WITH FEELING

[2](#). (U) At the ceremonies marking Malawi's Anti-Corruption Day on February 5, President Bingu wa Mutharika reaffirmed his government's commitment to controlling corruption. By itself, his presence at the event would have had that effect, but he also delivered a speech characterizing the fight against corruption as "the centerpiece of our Government's management policy." Promising "not (to) relent until those who plundered our economy with impunity have been brought to book," Mutharika bemoaned both Malawi's reputation as "one of the most corrupt countries in Africa" and the cost of corruption in terms of international development assistance.

[3](#). (U) Casting corruption as a phenomenon of the past ten years, Mutharika took another step toward identifying it with the administration of former president Bakili Muluzi. He went so far as to describe the "disgust" of Malawians "that a person can acquire more than forty houses...within a short period of ten years," a clear reference to Muluzi. As previously reported (ref B), Mutharika resigned from Muluzi's United Democratic Front party at the end of his speech, on the grounds that he can no longer associate himself with such a corrupt political cohort.

MULUZI'S HEAD? PERHAPS NOT YET

[4](#). (SBU) In the week after this dramatic move, speculation is running high that Muluzi will be arrested soon, driven in part by Mutharika's mention of the "individual" with forty houses. Sources within the GOM have indicated that Muluzi has been under some level of investigation since at least September. However, in our frequent encounters with senior GOM officials with a stake in the issue, there is a marked absence of bloodlust toward the former president. While the sense of outrage does have a political dimension, it seems to be directed more toward the corrupt practices themselves than at Muluzi. This may be a question of proximity: as Muluzi's power continues to fade, his personal culpability, and the possibility of his prosecution, may enter more into the public discourse. (NOTE: A couple of recent developments point to action against Muluzi sooner rather than later. The former president's guard supervisors were changed two days ago, causing a political flap, and GOM contacts have said that the case against Muluzi is ready to go, and arrest is imminent. However, this is not the first time we have heard that arrest is imminent. End note.)

CAPABLE HANDS, BUT FEW TOOLS TO WORK WITH

15. (U) In any event, the pressure is now on the ACB to deliver, and its first priority is convictions for high-level corruption. While the ACB's relatively new director appears to be doing his best to get good cases to court, it is doubtful that he has adequate resources to do so. In his speech at the Anti-Corruption Day observances, Kaliwo pleaded with the President to give him more and better tools. These included legal changes such as powers of search and arrest, but also mundane needs such as better salaries, money for a hotline, vehicles for investigators, and a roof that does not leak.

16. (SBU) NOTE: In a meeting on February 8 to discuss administration of an impending \$200,000 ESF grant, Kaliwo said he has only one full-time prosecutor and a staff of well-educated but untrained investigators. The UK is providing funds for the ACB to contract some prosecutors from private practice, but his organization is clearly struggling to keep up, even with the relatively tight focus Kaliwo has brought to the organization (ref A). End Note.

17. (U) As of now, the ACB has delivered only one conviction during Mutharika's time, on a case that was brought by the last administration. The Bureau's highest-profile case, that of former finance minister Friday Jumbe (ref A), is stalled, and the ACB is just now getting some (donor-funded) outside help. Several other cases are making their way toward trial dates, but it is unclear whether the ACB can assure the high-profile convictions they need.

COMMENT

18. (SBU) Mutharika continues to raise the stakes on delivering some tangible results in his anti-corruption drive. With his resignation from the UDF, he has managed to elevate the problem to the political level. In essence, he is building a public enemy of the Muluzi coterie's entrenched interests. This is proving to be politically useful, as it forces his UDF compatriots to choose sides, and casts the choice as a moral one.

19. (SBU) To keep his credibility on this issue, though, Mutharika must show that he can punish the most egregious cases. Few doubt his sincerity at this point, but sincerity is not enough to solve the problem. As his ACB director reminded him very publicly, he needs to commit more resources to prosecuting past cases and preventing future ones. Now that the stakes are higher, the success of a few good cases would likely buy the GOM some time and credibility. The failure of those same cases could be a significant political failure, erasing the moral advantage that Mutharika now enjoys, mostly on credit.

GILMOUR